

State of Connecticut

GENERAL ASSEMBLY



COMMISSION OFFICERS:

Susan O. Storey
Chairperson

Cindy R. Slane
Vice Chairperson

Adrienne Farrar Houël
Secretary

Jean L. Rexford
Treasurer

EXECUTIVE DIRECTOR:

Leslie J. Gabel-Brett

COMMISSION MEMBERS:

Marcia A. Cavanaugh
Anne Dailey
Barbara DeBaptiste
Sandra Hassan
Patricia T. Hendel
Tanya Meck
Robin L. Sheppard
Carrie Gallagher Sussman
Patricia E.M. Whitcombe

LEGISLATIVE MEMBERS:

Senator Andrew J. McDonald
Senator John A. Kissell
Representative Michael P. Lawlor
Representative Robert Farr

HONORARY MEMBERS:

Connie Dice
Patricia Russo

PERMANENT COMMISSION ON THE STATUS OF WOMEN

18-20 TRINITY STREET
HARTFORD, CT 06106-1628

(860) 240-8300

FAX: (860) 240-8314

Email: pcsw@cga.ct.gov

www.cga.ct.gov/PCSW

**Testimony of
Leslie J. Gabel-Brett, Ph.D.
Executive Director
Permanent Commission on the Status of Women
Before the
Commerce Committee
Tuesday, February 28, 2006**

**Re: H.B. 5493, An Act Establishing a Pilot Microloan Program for
Microenterprises**

Good morning Sen. LeBeau, Rep. Berger and members of the Committee. My name is Leslie Gabel-Brett and I am the Executive Director of the Permanent Commission on the Status of Women. Thank you for this opportunity to testify regarding H.B. 5493, An Act Establishing a Pilot Microloan Program for Microenterprises.

We strongly support the goal of focusing certain state services and financing on very small businesses, identified in this proposed bill as "microenterprises." PCSW collaborates with the Connecticut Chapter of the National Association of Women Business Owner (CT-NAWBO), and the Microenterprise Research Group (MERG) to support the growth of women-owned small businesses in Connecticut.

As you may know, small businesses are the engine of growth for our economy. According to MERG, microenterprises employ approximately 400,000 Connecticut residents, which is twice as many people as the top 25 employers in the state combined.

There are approximately 118,583 privately owned firms in which women own equal or majority share. Between 1997 and 2004, the number of businesses owned by women, their employment level, and their sales increased significantly– a 64% increase in the number of businesses; a 94% increase in the number of persons employed by such businesses, and; a 76% increase in sales.¹

The state currently offers services and financing to promote economic development. Even though microenterprises are an important sector of our economy, and often provide a path to economic self-sufficiency for women, finding and assisting them are not easy tasks. Small entrepreneurs do not always have the time or personnel to seek out and apply for assistance.

The bill under consideration today is a small but helpful step in the right direction. It would appropriate \$50,000 to the Community Economic Development Fund through the Department of Economic and Community Development for the purpose of making small grants to “microloan generating organizations” to identify and assist very small businesses that would benefit from economic assistance program. It also requires CEDF to produce a report about microenterprises that will help the General Assembly and state agencies be more strategic about targeting resources and assistance to them.

We support this proposal, and respectfully recommend that the proposal could go farther. Additional funding could also be used for advertising and outreach so that CEDF and DECD can reach a wider audience. We would be happy to work with members of this committee and provide any additional research or information.

Thank you.

¹ Center for Women’s Business Research, “Women-Owned Businesses in Connecticut, 2004: A Fact Sheet.”